

SERENITY 67
Baton Rouge, Louisiana
ACCOUNTANT'S COMPILATION REPORT
Year Ended June 30, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6/22/11

Melvin L. Davis
Certified Public Accountant

(A Limited Liability Company)

SERENITY 67

**Financial Statements and
Accountant's Compilation Reports
Year Ended June 30, 2010
With Supplementary Information Schedules**

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ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors and Management
Serenity 67
Baton Rouge, Louisiana

I have compiled the accompanying statement of financial position of Serenity 67 (a nonprofit organization) as of June 30, 2010, and the related statements of activities, functional expenses, and cash flows for the period then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Certain conditions indicate that the Organization may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments to the financial statements that might be necessary should the Organization be unable to continue as a going concern.

Melvin L. Davis

Baton Rouge, Louisiana
April 26, 2011

Statement A**SERENITY 67
Baton Rouge, Louisiana****Statement of Financial Position
June 30, 2010****ASSETS**

| | |
|-----------------------------|----------------|
| Cash in bank | \$ 27 |
| Accounts receivable | 4,942 |
| Other assets | 927 |
| Property and equipment, net | <u>136,204</u> |

TOTAL ASSETS**\$ 142,101****LIABILITIES**

| | |
|------------------------------------|-----------------------|
| Bank overdrafts | \$ 12,097 |
| Accrued and withheld payroll taxes | <u>134,176</u> |
| TOTAL LIABILITIES | <u>146,273</u> |

NET ASSETS

| | |
|-----------------------------|-----------------------|
| Unrestricted - Operating | (140,376) |
| Unrestricted - Fixed Assets | <u>136,204</u> |
| TOTAL NET ASSETS | <u>(4,172)</u> |

TOTAL LIABILITIES AND NET ASSETS**\$ 142,101**

See accountant's compilation report.

Statement B**SERENITY 67
Baton Rouge, Louisiana****Statement of Activities
Year Ended June 30, 2010****SUPPORT AND REVENUE**

| | |
|----------------------------------|----------------------|
| Grant from governmental agency | \$ 59,307 |
| Miscellaneous | <u>4</u> |
| TOTAL SUPPORT AND REVENUE | <u>59,311</u> |

EXPENSES

| | |
|----------------------------|----------------------|
| Program Services: | |
| Elderly services | 57,615 |
| Supporting Services: | |
| General and administrative | <u>13,263</u> |
| TOTAL EXPENSES | <u>70,878</u> |

INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS (11,567)

NET ASSETS AT BEGINNING OF YEAR 7,395

NET ASSETS AT END OF YEAR \$ (4,172)

See accountant's compilation report.

SERENITY 67
Baton Rouge, Louisiana

Statement of Functional Expenses
Year Ended June 30, 2010

| EXPENSES | Total Program Services Elderly Services | General and Adminstrative | Total |
|------------------------|--|--|------------------|
| Accounting | \$ 1,455 | - | \$ 1,455 |
| Auto expenses | 462 | - | 462 |
| Bank charges | 399 | - | 399 |
| Legal | 7 | - | 7 |
| Food and snacks | 1,357 | - | 1,357 |
| Insurance | 744 | - | 744 |
| Miscellaneous | 668 | - | 668 |
| Payroll taxes | 10,005 | - | 10,005 |
| Postage | 44 | - | 44 |
| Scholarship/assistance | - | \$ 8,950 | 8,950 |
| Repairs & maintenance | 275 | - | 275 |
| Salaries | 37,029 | - | 37,029 |
| Security | 294 | - | 294 |
| Supplies | 1,265 | - | 1,265 |
| Telephone | 2,163 | - | 2,163 |
| Utilities | 1,448 | - | 1,448 |
| Depreciation | - | 4,313 | 4,313 |
| | <u>\$ 57,615</u> | <u>\$ 13,263</u> | <u>\$ 70,878</u> |

See accountant's compilation report.

Statement D**SERENITY 67
Baton Rouge, Louisiana****Statement of Cash Flows
Year Ended June 30, 2010****CASH FLOWS FROM OPERATING ACTIVITIES**

| | |
|--|--------------|
| Change in net assets | \$ (11,567) |
| Adjustments to reconcile change in net assets to cash provided (used) by operating activities | |
| Depreciation | 4,313 |
| (Increase) decrease in operating assets: | |
| Accounts receivable | (4,942) |
| Increase (decrease) in operating liabilities: | |
| Accounts, salaries, and other payables | 10,899 |
| Bank overdrafts | 1,193 |
| Net cash provided (used) by operating activities | <u>(104)</u> |
| Net increase (decrease) in cash | (104) |
| CASH AT BEGINNING OF YEAR | <u>131</u> |
| CASH AT END OF YEAR | <u>\$ 27</u> |

See accountant's compilation report.

SUPPLEMENTARY INFORMATION SCHEDULES

**SERENITY 67
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010**

FINDINGS – FINANCIAL STATEMENT COMPILATION

Finding 2010-01 Late Submission of Compilation Report

Condition:

The compilation report of the Serenity 67's financial statements was not completed and filed with the Office of Legislative Auditor within six months of the close of Serenity 67's fiscal year.

Criteria:

In accordance with Louisiana Revised Statute §24:513 and the Louisiana Governmental Audit Guide require all engagements to be completed within six months of the close of the entity's fiscal year.

Cause:

Serenity 67 did not enter into an engagement agreement to have its June 30 2010 compilation report conducted until March 2011.

Effect:

The compilation report was not filed within the time period required by state law.

Recommendation:

Management needs to place emphasis on providing financial related data in a timely manner and establish financial reporting procedures that will ensure the complete, accurate, and timely recording to transactions. In addition, management should develop and adhere to year-end closing procedures.

Management's Response and Correction Action Plan:

Management understands the importance of providing timely financial data and has developed an in-house procedure that will ensure accurate and timely recording of transactions. Also, management is committed to entering into an engagement agreement to have fiscal year end June 30, 2011 compilation completed by December 31, 2011.

SERENITY 67
SCHEDULE OF PRIOR YEAR FINDING AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010

FINDINGS – FINANCIAL STATEMENT COMPILATION

Finding 2009-01 Late Submission of the Compilation Report

Recommendation:

Management needs to place emphasis on providing financial related data in a timely manner and establish financial reporting procedures that will ensure the complete, accurate, and timely recording to transactions. In addition, management should develop and adhere to year-end closing procedures.

Response: Unresolved – See Finding 2010-01